

Report
presented to the
Fairfax County
Board of Supervisors
February 7, 2000

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# **Executive Summary**

Since 1987, the Fairfax County Employer Child Care Council has worked to promote employer involvement in child care at the workplace and in the community. In meeting this goal, the Council has initiated a number of projects in collaboration with the Office for Children and local businesses. These projects have:

- increased the child care supply through two major corporate sponsored recruitment campaigns,
- enhanced the quality of child care through grants for training, professional development and purchase of child care materials,
- encouraged local companies to establish family friendly workplace policies.

This partnership has placed Fairfax County at the forefront of employer involvement in child care and has improved the quality of child care in our community. The Council is convinced that the availability of a good supply of quality child care is key to maintaining a vibrant local economy and a full employment workforce.

The purpose of this report to the Fairfax County Board of Supervisors is not just to inform the Board members of the accomplishments of the Employer Child Care Council. Our goal is to also alert the Board to two recent trends that could interfere with the ability of our employees to successfully access child care in the future

1. There is a steady **increase in the demand for child care**. Calls by our employees to the Office for Children's Child Care Resource System were 7% higher in the last fiscal year. 16% more of our low-wage earners received assistance from the Child Care Assistance Program.

This overall increase in the demand for child care has made it especially difficult for our employees who need specialized types of child care, such as:

- Infant care
- School-age care
- Care for children with special needs
- Care for children during non-standard hours

We, as employers, are keenly aware of the impact difficulties in finding child care can have on employees' productivity, absenteeism and turnover at the workplace.

While Fairfax companies are implementing a growing number of family friendly work policies, none of these is as critical as being able to meet the demands of our workers for child care. Our companies depend on the Office for Children to respond to the demands of our employees for child care.

Since this past October, our low-wage earners have faced an additional child care challenge. Low- and moderate-wage earners are currently being placed on a waiting list for sliding fee subsidy support from the State. Without this support, these employees find it difficult to afford the cost of care. Many are unable to enter the workforce or remain employed, making them unavailable for jobs with our companies.

- 2. Compounding the challenge of increased demand is the recent **decrease in the** number of people who are working in the child care field. There are two ways this decreased supply of child care workers are currently seen:
  - There has been a decline in the number of family child care providers with the County Home Child Care Permit during the past two year period. Between February 1998 and February 2000 the number of permitted family child care providers has dropped 16%. A major factor contributing to this decline is the number of providers who end their family child care business as compared to the number of new providers who enter child care to take their places.
  - Local child care centers are experiencing higher staff turnover and are having difficulty in finding qualified individuals to fill vacant positions.

While many factors contribute to a decreased child care supply, lack of financial compensation and lack of training to help providers offer quality services are two especially powerful forces. Individuals who might have previously been attracted to careers in child care are seeking opportunities that exist in other, more highly compensated fields.

The Employer Child Care Council proposes that the Board of Supervisors endorse several action steps in partnership with the business community to address these trends:

- Apply innovative technology to assist parents in finding child care.
- Promote an aggressive and appealing County-wide recruitment campaign that will increase the overall supply of child care.
- Work with the Child Care Advisory Council to strengthen the County's Home Child Care Ordinance.
- Establish a public private fund that would offer incentives for existing family child care providers and child care center staff based on participation in professional training or continued participation in child care.

These suggested steps require the active participation of the Board of Supervisors in order to succeed. Board participation will be instrumental in garnering the participation of all stakeholders in the dialogue and planning for effective implementation of the action steps. These stakeholders include the local business community, public agencies, child care providers and working parents.

The Employer Child Care Council and the business community it represents look forward to working with members of the Board of Supervisors on these critical challenges facing our County and our businesses.

# **History of the Employer Child Care Council**

The Employer Child Care Council first convened in January of 1987 as a result of recommendations made to the Board of Supervisors by a steering committee formed following a breakfast meeting of 135 business leaders and County officials on October 28, 1986. At this meeting Dr. Dana Friedman of the Conference Board provided a pivotal keynote address which challenged local employers and the County to think of creative solutions to meet the needs of a changing workforce.

Changes in the local and national workforce at the time created dramatic increases in the number of working mothers with young children who needed child care in order to maintain their employment. The labor force participation of working mothers was critical in supporting the rapid growth in the local business economy where job expansion was increasing at a rate of 20%. Employers who implemented child care benefits for employees were at an advantage in recruiting and retaining workers for these new jobs.

During the late 1980s employers' awareness and knowledge of child care benefits were limited. Yet many companies were beginning to pave the way in offering programs from on-site child care centers to sick leave for a sick child to child care resource and referral services to help working parents find child care. It was predicted that child care would be the fastest growing benefit in the 1990s.

To keep Fairfax County on the cutting edge of these trends, the Council was formed to provide local employers with information they needed to assess their need for child care benefits and to provide technical assistance that helped corporations begin to develop plans and programs suited to their particular situations. By partnering with the County, local businesses would also be able to shape the child care delivery system in the County so that it provided the type and quality of child care employees wanted.

During the past twelve years, over 25 companies have participated in the Council, representing a cross-section of industries (see Appendix 1). Membership has continued to keep pace with changing industry and employment trends. Criteria for participation have resulted in the participation of many local and national employers who have been at the forefront of work-life, family friendly initiatives. Many have been named to the 100 Best Companies for Working Mothers List published annually by Working Mother magazine.

In recognition for its accomplishments over the years, the Northern Virginia Association for the Education of Young Children named the Employer Child Care Council as the recipient of the 1994 Outstanding Service for Young Children Award.

## **Mission**

The mission of the Employer Child Care Council has been

#### "To increase the involvement of the business community in child care at the workplace and in the community."

The Employer Child Care Council has continually examined this mission to find effective ways to respond to current workplace and community needs. The overall mission statement has proven to be a dynamic and robust vehicle for keeping the Council actively engaged in a wide range of activities which have achieved a variety of objectives over the years. Examples of specific objectives include:

- increasing the number of employers in Fairfax County who provide child care benefits for their employees.
- expanding partnerships between business, County government and community child care resources to support the development of child care quality and supply.
- advocating for child care so that funding and resources are made available to child care professionals, child care agencies, working parents and employers.
- educating employees and employers about quality child care and early education.
- recommending communication strategies that help link employees and employers with services of the Office for Children.

The Council regularly examines its missions, goals and objectives to determine appropriate and timely action plan strategies. Council members serve a central role in recommending priorities and directions for the Council, as well as for programs within the Office for Children. Members have been valuable in identifying alternative resources and partners to move ideas and initiatives forward.

# **Accomplishments**

The Council is proud of its legacy of accomplishments that have continued to provide significant impact on the status of child care in Fairfax County. These accomplishments can be grouped in five general categories:

#### 1. Expanding Child Care Resources

#### to Assure an Adequate Supply for Working Parents

Receiving \$85,000 grant from Mobil Corporation to recruit family child care providers Involving mid-sized companies in a Consortium Child Care Center model Increasing local employer supported centers from one in 1987 to seventeen in 2000 Sponsoring 1999 Forum on non-traditional child care

# 2. Enhancing Quality Child Care to Improve the Care Available

Promoting concept of employer responsibility for improving child care quality Raising over \$150,000 through Quality Child Care Initiative over five year period Increasing the local supply of nationally accredited child care centers and providers Promoting corporate support of training for child care professionals Participating in the American Business Collaboration for Quality Dependent Care

# 3. Marketing Concept of Employer Involvement in Child Care to Expand the Number of Businesses Involved in Child Care

Developing Council outreach strategies
Publishing newsbrief "Child Care: the Business Edition"
Producing video "Business Speaks Out on Child Care" for County's Cable TV
Developing networking channels with business and community groups
Participating in recognition of exemplary employers through CARE Award

## 4. Building Corporate Child Care Benefits

#### to Create Family Friendly Practices at the Workplace

Developing clearinghouse of resources on employer child care benefits Holding Child Care Roundtables for business to share successful strategies Providing individual technical assistance to employers through networking Marketing Resource and Referral Service to small and medium sized companies

#### 5. Tracking Demographics

#### to Understand the Scope of Employer Supported Child Care

Conducting 1987 survey of Fairfax County employers on child care benefits Gathering local and national child care statistics and identify trends

### **Current Action Plan**

On its tenth year anniversary, the Employer Child Care Council sponsored a special event during which Dr. Dana Friedman offered a keynote address on "Refocusing Work-Life Programs for the 21<sup>st</sup> Century." Following the keynote presentation, Dr. Friedman moderated a panel discussion among local business leaders to explore the new business case for corporate work-life efforts, specifically in the child care arena.

Council members then met with Dr. Friedman to explore how the Employer Child Care Council could support her vision for the future here in Fairfax County. As a result of this discussion the following goals and related activities were established to lead the Council's Work Plan to the 21<sup>st</sup> Century:

#### <u>CLEARINGHOUSE GOAL</u>:

to provide small, mid-sized or growing companies with information about benefit programs and policies that support the child care needs of their employees and help them recruit, retain and maintain productivity among their employees.

Roundtable events for local employers on:
Child Care Resource and Referral Services
Consortium Child Care Centers
Back-up and Occasional Child Care Services

Development of new Child Care Resource and Referral Service for small and mid-sized companies, applying GIS technology

Outreach to employers of low wage-earners and employers who participate in Welfare to Work programs

#### PARTNERSHIP GOAL:

to expand partnerships with business that develop child care quality and increase the child care supply.

Grant from the American Business Collaboration to expand number of family child care providers offering school-age child care services

Corporate support for training events and resources at the Resource Center at Main Street

Sharing successful recruitment strategies used by other industries to build the supply of family child care providers and child care professionals working in child care centers

Facilitating the development of the "Employer Directors Exchange" among the Directors of employer supported centers

#### COMMUNICATION GOAL:

to recommend communication strategies for the Office for Children and the Employer Child Care Council programs and activities.

Sponsorship of the 1998 White House Conference on Child Care

Expansion of Internet capacity describing Office for Children services

Communication plan to expand non-traditional child care resources and employer understanding of impact of non-traditional work schedules

## **Future Directions**

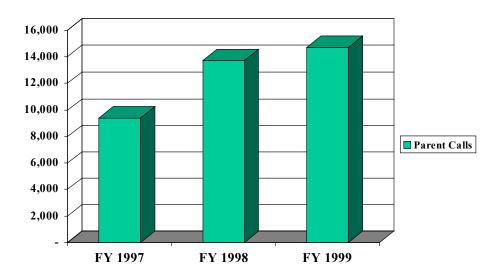
As Fairfax County begins the 21<sup>st</sup> Century, the Employer Child Care Council has identified two major challenges that threaten the future of our child care in Fairfax County:

- the challenge of demand: increased demand for child care services among our employees and especially for our employees needing more specialized child care services.
- the challenge of supply: difficulties in attracting individuals to the child care field, either as family child care providers or as staff at community child care centers

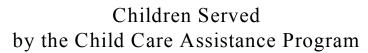
The Challenge of Demand: Growing numbers of our employees are looking for child care. Demographic statistics as well as the direct experiences of parents, Office for Children staff and corporate human resource professionals in our companies provide evidence about this increasing demand for child care.

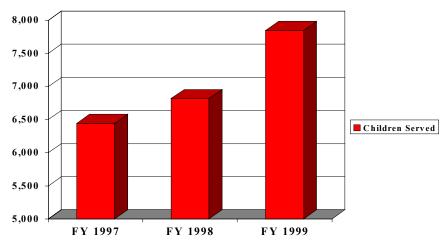
The OFC Child Care Resource System, as illustrated in the following chart, has experienced a steady growth in the number of calls from parents looking for child care during the last fiscal year.

# Parent Calls to CCRS for Assistance in Finding Child Care



Increased demand is also illustrated by the following chart showing the 16% increase in the number of children using child care services with the subsidy assistance of the OFC Child Care Assistance Program. Since November of 1999, however, our employees who are income eligible for fee system support are being placed on a waiting list, jeopardizing their participation in the workforces of our local companies.





As the overall demand for child care has grown, it has become especially difficult for our employees who need specialized types of child care services to find care that meets their specific needs. Some of the types of care that are especially difficult to find include child care for:

- infants
- school age children
- children with special needs
- employees working non-standard hours and schedules

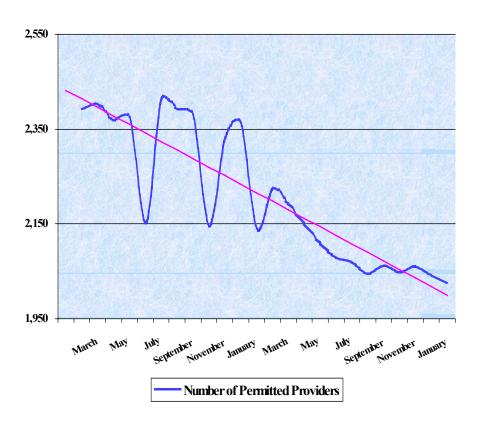
The Employer Child Care Council is concerned about these trends, particularly since the general supply of child care services is diminishing. When this happens, parents who need these specialized types of services have even more limited choices. Such situations have a strong impact on the business community: absenteeism and turnover increase while productivity and morale decrease. As our companies continue to grow, we need to be assured that the demands of our employees for all forms of child care can be met.

The Challenge of Supply: Individuals who might have previously been attracted to careers in child care are weighing the opportunities that exist in other, more highly compensated, fields. As a result, increasing numbers of individuals are leaving the child care field and fewer people are entering the field to take their places.

National turnover rates in child care, which were already unacceptably high at 40%, are likely to climb even higher in Fairfax County with its current high rate of employment. Already, recent trend information gathered for Fairfax County is confirming this reality:

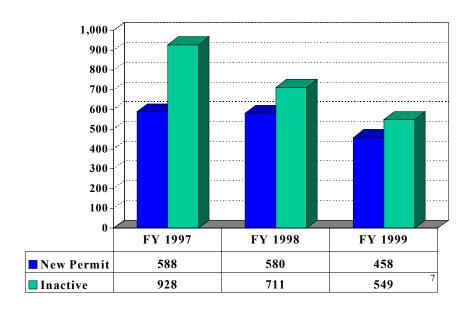
• During the past two years, the numbers of family child care providers with a County Home Child Care Permit fell by 16%. Since the average population increases in Fairfax County at a rate of 2% each year, family child care services are not keeping pace with local population needs.

Number of Permitted Family Child Care Providers, with Home Child Care Permits 1998 - 2000



• A major contributing factor in this overall decline is the large number of existing providers who decide to leave family child care, as illustrated in the following chart.

# Comparison of New Permitted Providers and Providers Becoming Inactive



• Directors of child care centers report significant reductions in the numbers of qualified applicants for vacant staff positions they advertise. Since their staff vacancies are increasing, they are reluctant to expand their child care programs and, at times, are concerned about their ability to operate the current programs within their ratio requirements. This makes it difficult for centers to consider offering expanded hours that respond to the flexible work schedules our companies are implementing for employees. Directors report that they are feeling increasingly pressured to hire less qualified staff in order to keep their programs operating. Our employees are concerned about the impact this will have on the quality of care their children are experiencing.

Young children depend on stable and responsive relationships for their emotional and intellectual development. When turnover is high or when less qualified individuals are providing care, the impact on children's development can be significant.

# **Potential Solutions**

The Employer Child Care Council feels strongly that these trends cannot be ignored. Our community must recognize the early signs of what could soon become a crisis for working parents in our companies in Fairfax County. Employees who have difficulty finding child care or are not confident with the quality of their child care arrangements will also not be productive at the workplace. This has obvious negative impact on our companies today.

Our businesses are also concerned about the impact of child care on our future workforce. The business environment of the future will require a highly skilled labor force with increased literacy and problem solving skills. Current research is clearly documenting the importance of early experiences in providing a foundation for future success in school, at the workplace and in life. Young children depend on stable and responsive relationships for their emotional and intellectual development. When turnover is high or when less qualified individuals are providing care, the impact on children's development can be significant.

The business community is beginning to address this challenge in Fairfax County. The American Business Collaboration awarded the Office for Children a grant to recruit, train and provide incentives to a group of family child care providers caring for school-age children. The Employer Child Care Council held a community Forum in June 1999 to identify action steps to build the supply and quality of child care offered during non-standard hours.

These initial efforts, however, have only served to underscore the need for continued work to continue to build the supply. Much more intensive work is needed. Greater numbers of partners are required. And solutions need to take advantage of innovations from technology.

As a group charged with the responsibility of working with the County on child care issues, the Employer Child Care Council is convinced that it is time to seek these intensive, innovative solutions in partnership with one another. There are some clear first steps that must be taken using a public-private partnership approach.

**First**, efforts to assist our employees in accessing child care information and identifying existing child care services must be continued, taking full advantage of technology.

Parents need accurate information about child care that can be delivered quickly and in

"real-time" terms. The resources of technology are creating opportunities for these types of services.

The Employer Child Care Council recommends that the Office for Children include expanded information on their web pages. As part of this internet expansion, for example, an on-line exchange could be developed where working parents with non-traditional child care needs could exchange information and even find child care providers who were able to meet their specific needs.

**Second**, a recruitment campaign to increase the number of workers in the child care field must be initiated.

An aggressive, multi-media campaign is needed to increase the child care supply taking full advantage of new communication channels. and be targeted to new audiences in our community. This campaign needs to target new audiences in our communities and needs to include a public awareness effort to create positive images about working in the child care field.

The Office for Children, with the help of corporate funding from Mobil Corporation, launched a highly successful recruitment campaign in the early 1990s targeted at increasing the supply of family child care providers. This type of focused and enhanced recruitment must be launched again.

**Third**, the Council encourages the Board to work with the Child Care Advisory Council on strengthening the County Home Child Care Permit.

The Employer Child Care Council strongly supports the strengthening of training requirements. Increased training requirements for family child care providers are just one of the ways family child care providers can be given the tools they need to create a successful child care business.

Trained family child care providers are more likely to offer the quality services our employees are seeking in their child care arrangements. More qualified providers are also more likely to remain in the child care business over time.

**Finally**, incentives for child care professionals to participate in training and to remain in the field need to be created as a follow-up to recruitment.

Action steps to reduce the high rate of turnover among existing child care providers must be taken. Several models are available for Fairfax County to consider – one successful approach offers financial "bonuses" to individuals who have participated in training and who continue to work in the child care field. This model has been used locally within the County's Child Care Assistance Program and has been successfully implemented in several States.

Family child care providers who are beginning their businesses have many start-up expenses. Incentives which offer providers child care equipment and materials as part of their training could not only help providers meet the costs of these start-up expenses, they could also improve the quality of care provided to children of our employees.

The funding needed for these types of incentives could be generated in a public-private partnership in which the County challenges the business community to match public funds with private funds.

# **Summary**

Solutions like these will need to continue to be sorted out in collaborative community forums where all stakeholders—parents, child care professionals, businesses and government—work together to find appropriate roles that each can play. The Fairfax County Employer Child Care Council and the Office for Children have already begun to take a leadership position in initiating these community collaborations.

The Board of Supervisors has an opportunity to not only support this Council initiative with the Office for Children, but to themselves take on an active leadership role. Board commitment and participation will be critical to the success of the public-private initiatives suggested in this report.

The current success of our local economy gives Fairfax County and our local business community a special opportunity to implement the proposed solutions. The Employer Child Care Council looks forward to working with members of the Board of Supervisors on these important issues for our County and our businesses.

Child care is a cornerstone of a successful community.

Future directions will need to continue to provide the components of child care availability, access and quality critical to the development of this cornerstone.

February, 2000

#### Companies who have served on the Employer Child Care Council

AAC

American Medical Labs

American Management Systems

Arthur Andersen LLP

Bank of America

BDM

Crestar Bank

E-Systems

Fairfax Journal

Freddie Mac

Janice Garlitz, P.C.

Giant Food, Inc.

George Mason University

**GTE** 

Hechinger Company

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